

# Community Connections

2013 Community Benefit Report



## Dear Friends,

In a changing healthcare environment, Cleveland Clinic continues to increase support to our communities through a broad range of programs and initiatives. We are doing more, for more people, in more ways than ever before.

Cleveland Clinic anchors its communities in a network of healthcare delivery that is second to none in the world. We offer health and wellness education and services throughout our neighborhoods and schools. We provide financial assistance at a higher rate than ever before. Our professional medical education and research programs are assuring that future generations will enjoy even better health and longer lives.

This Community Benefit Report gives you an overview of our programs and services and a full accounting of our community commitment. We appreciate your interest in our community benefit, and hope that you find this information to be useful and informative.

Sincerely,



Delos M. Cosgrove, MD  
CEO and President  
Cleveland Clinic



Robert E. Rich Jr.  
Chairman, Board of Directors  
Cleveland Clinic

# Community Benefit

Cleveland Clinic is a nonprofit, multispecialty academic medical center with a proud history of serving the needs of the residents of Cleveland and surrounding communities. We were founded in 1921 as a nonprofit group practice with a tripartite mission to care for the sick and improve patient care through research and education.

Cleveland Clinic has grown from a small clinic opened by four physicians to an integrated health system that includes 11 hospitals, one affiliate hospital and more than 75 outpatient locations. Nearly 100 years later, we remain a community asset with no owners, investors or stockholders. Any and all extra funds from operations are invested back into the health system to fund new research and education initiatives and to continue our long-standing charitable efforts.

Charitable, tax-exempt healthcare organizations have a tradition of addressing health service needs and providing benefits to the communities they serve. Cleveland Clinic's Community Benefit is far-reaching, from making healthcare available for the neediest among us to educating the next generation of healthcare professionals and funding medical research that leads to advanced treatments and cures.

Community Benefit, as defined by the Catholic Health Association (CHA), includes activities or programs that improve access to health services, enhance public health, advance generalizable knowledge and relieve government burden. The CHA model defines the primary categories for assessing Community Benefit as: Financial Assistance (Charity Care), Medicaid Shortfall, Subsidized Health Services, Outreach Programs, Education and Research.

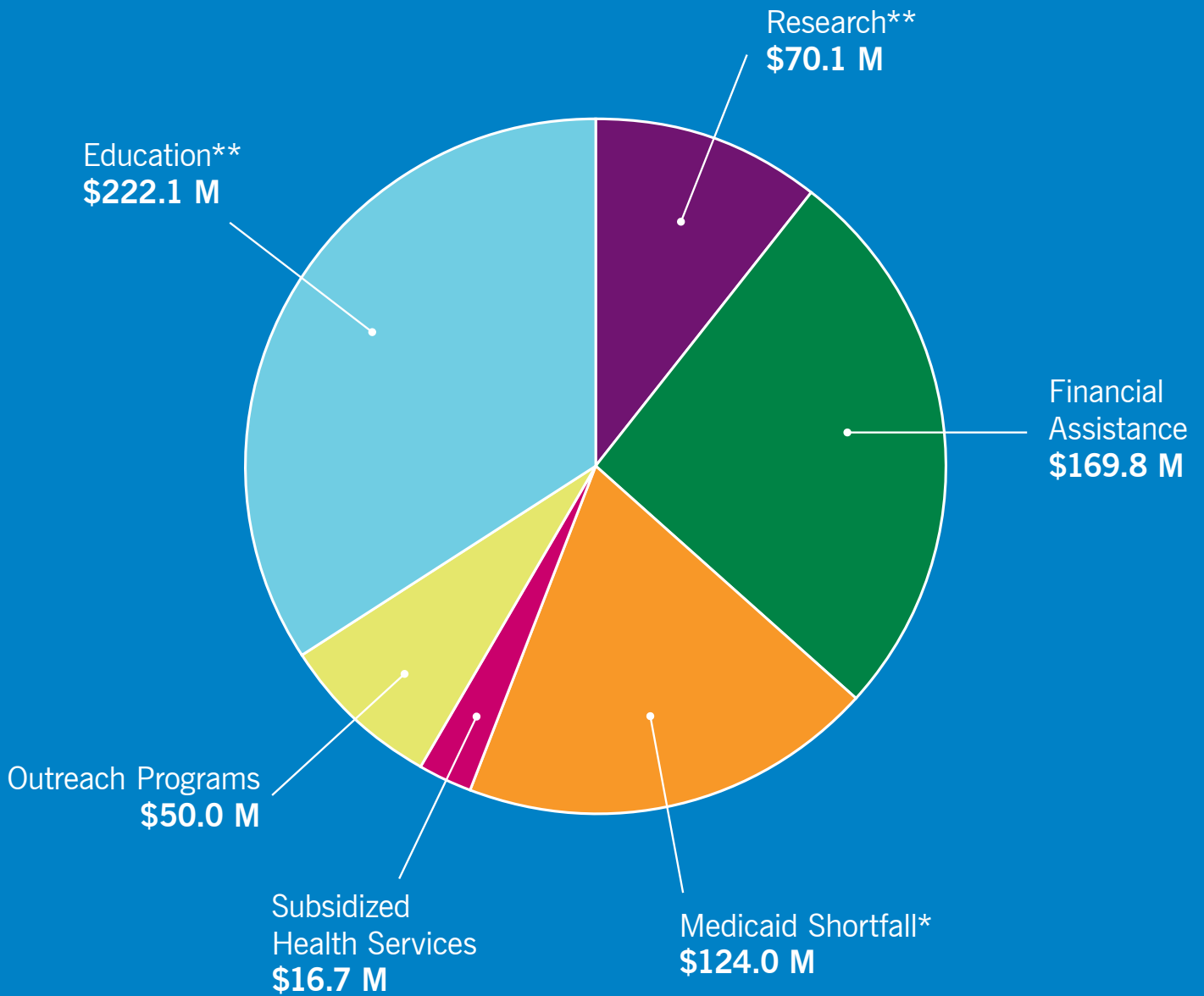
Cleveland Clinic has been reporting Community Benefit since 2005 in accordance with CHA standard definitions and methodology. In 2008, the IRS began requiring all nonprofit hospitals to report Community Benefit on the revised Form 990, using a methodology that closely follows CHA standards.

In 2013, the IRS reversed its past reporting guidance and now instructs nonprofit hospitals to report Community Benefit expenses after reduction for externally sponsored funding. The Cleveland Clinic Community Benefit for 2013 and all prior years conforms to this new IRS guidance.



# 2013 Community Benefit

# \$652.7 Million



\*Net of HCAP benefit of \$17.7 M

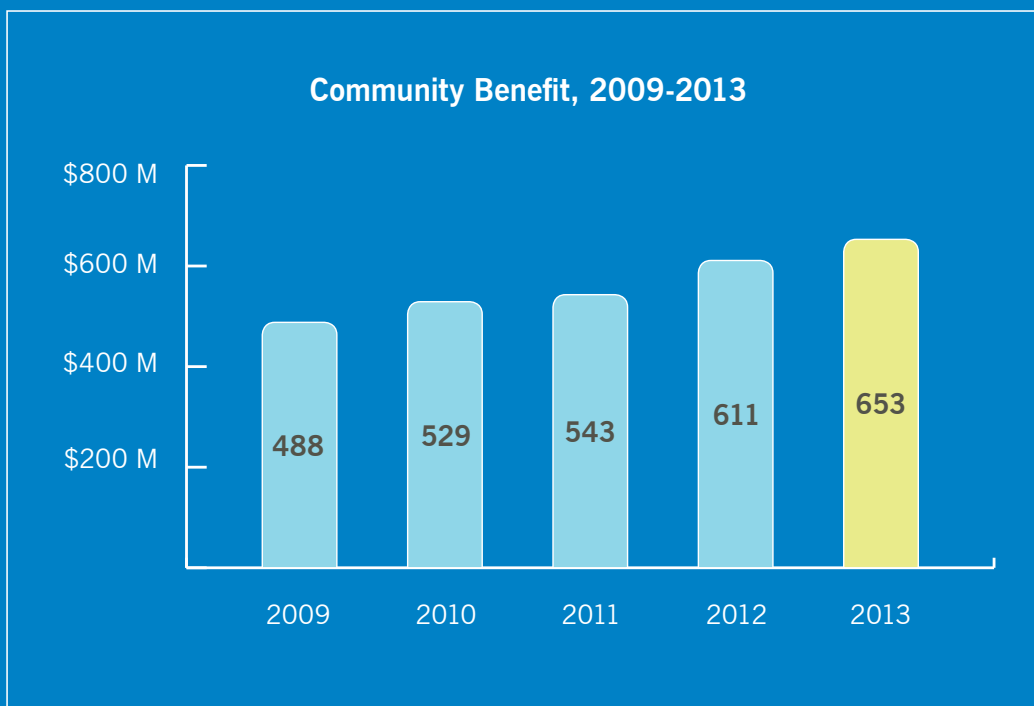
\*\*Research and Education expenditures are shown net of \$133.6 M Research and \$8.4 M Education grants and other external funding

Includes all health system operations in Ohio, Florida and Nevada

## Cleveland Clinic Health System | Community Benefit

For the Twelve Months Ended December 31, 2013 and 2012  
(\$ in millions)

	2013	2012
Financial Assistance	\$169.8	\$154.6
Medicaid Shortfall (net of HCAP benefit)	\$124.0	\$105.5
Subsidized Health Services	\$16.7	\$13.7
Outreach Programs	\$50.0	\$50.0
Education	\$230.5	\$224.0
Research	\$203.7	\$206.4
Total Community Benefit expenditures	\$794.7	\$754.2
Less externally sponsored funding	(\$142.0)	(\$143.6)
<b>TOTAL COMMUNITY BENEFIT (NET)</b>	<b>\$652.7</b>	<b>\$610.6</b>





## Financial Assistance

\$169.8 million

At Cleveland Clinic, we treat all patients with dignity and respect regardless of their ability to pay. Financial assistance is the amount of free or discounted medically necessary care provided to those patients unable to pay some or all of their bills. Cleveland Clinic’s financial assistance policy provides free or discounted care to patients with incomes up to 400 percent of the federal poverty level and covers both hospital care and our employed physician services. Financial assistance reported here does not include “bad debt,” which is the amount of unpaid bills to the health system by patients who have the ability to pay.

Making the public aware that financial assistance is available is an important element of a hospital’s financial assistance program. Financial counselors are present on-site at all Cleveland Clinic health system hospitals and family health centers to help patients apply for government assistance programs and financial assistance. Information about our policies is available on-site at registration, at [clevelandclinic.org](http://clevelandclinic.org) and on each of our community hospitals’ websites (page 10). In 2013, the Cleveland Clinic health system provided \$169.8 million in financial assistance.



## Medicaid Shortfall

\$124.0 million

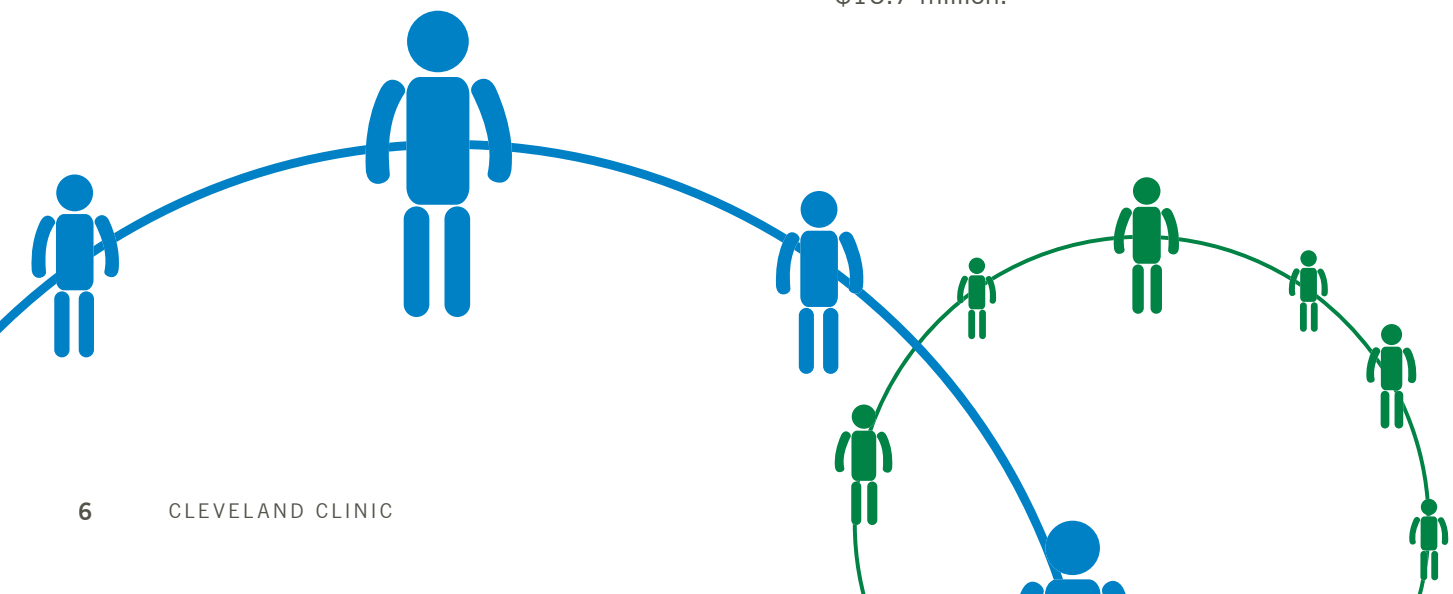
The Cleveland Clinic health system is a leading provider of Medicaid services in Ohio. The Medicaid program, which provides healthcare coverage for low-income families and individuals, is funded by state and federal governments. In many states, including Ohio, Medicaid payments have not been sufficient to cover the costs of treating Medicaid beneficiaries. In 2013, the health system’s unpaid Medicaid costs were \$141.7 million. Offset by net receipts of \$17.7 million from Ohio’s Hospital Care Assurance Program (HCAP), our Medicaid shortfall was \$124.0 million.



## Subsidized Health Services

\$16.7 million

Subsidized health services are clinical services that are provided to meet the needs of the community despite creating a financial loss. Subsidized health services within the Cleveland Clinic health system include pediatric programs, psychiatric/behavioral health programs, obstetrics services, chronic disease management and outpatient clinics. Excluding financial assistance costs, Medicaid shortfalls and bad debt, the Cleveland Clinic health system provided subsidized health services in 2013 at a cost of \$16.7 million.



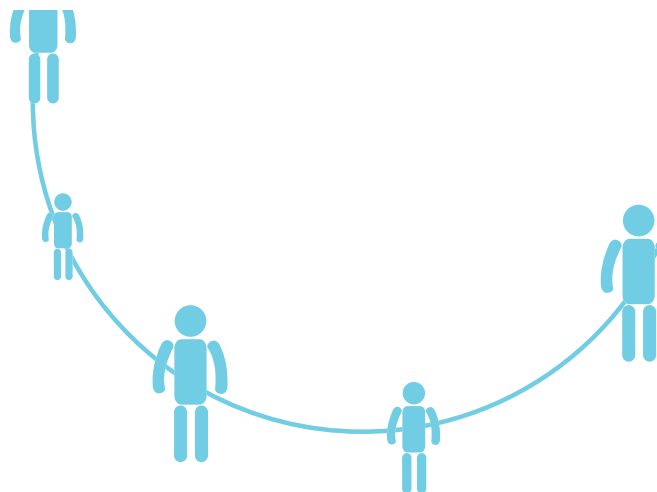


## Outreach Programs \$50.0 million

The Cleveland Clinic health system is actively engaged in a broad array of outreach programs, many of which are designed to serve the most vulnerable and at-risk populations. Our well-established programs range from free wellness initiatives, health screenings, clinical services and education, to enrollment assistance for government-funded health programs.

Outreach programs fall into three main categories: community health services, cash and in-kind donations, and community building. In 2013, some highlights included:

- Cleveland Clinic staff across the system provided no-cost clinical care to under- and uninsured families at community sites. The Langston Hughes Health and Education Center, a Fairfax neighborhood site, provided multigenerational prevention and wellness services.
- Health fairs provided thousands of people with free screenings for diabetes, cholesterol, heart disease, and prostate and various cancers. The Cleveland Clinic Minority Men's Health Fair, Celebrating Sisterhood, Tu Familia and dozens of community health fairs educated community members on the benefits of preventive health-care. You can see a video about the Minority Men's Health Fair by visiting [clevelandclinic.org/communitybenefit](http://clevelandclinic.org/communitybenefit).
- Community education classes were offered across the enterprise providing education on chronic disease management in the areas of heart disease, stroke, cancer, diabetes and brain health. For a full list of monthly events, go to [clevelandclinic.org/communityevents](http://clevelandclinic.org/communityevents).



- Wellness initiatives and health lectures were provided to schools, faith-based organizations and community centers in the areas of prevention and behavioral change, including smoking cessation, weight management, teen parenting, family violence and child safety.
- Community farmers markets, urban gardens, exercise programs and nutrition seminars were provided to promote disease prevention and healthy lifestyles.
- Regional leadership summits brought community leaders together for the purpose of addressing the public health epidemics of heroin use and obesity.
- Physical education, training and concussion awareness were provided to high school students by the Orthopaedic and Rheumatologic Institute.
- Cleveland Clinic's Robert J. Tomsich Pathology & Laboratory Medicine Institute donated services to Cleveland-area safety-net providers the Free Clinic and Care Alliance.
- Cleveland Clinic Philanthropy focused efforts on community needs of cancer and brain health research.

In 2013, the health system provided or contributed to more than 300 community outreach activities for a total net community benefit of \$50.0 million.



## Education

\$222.1 million

Cleveland Clinic is committed to education, taking pride in a wide range of high-quality medical education that includes accredited training programs for residents, physicians, nurses and other allied health professionals.

With more than 1,900 residents and fellows in training, the Cleveland Clinic health system maintains one of the largest graduate medical education (GME) programs in the U.S. In addition, we are committed to both undergraduate and postgraduate medical education.

Allied health professionals are important members of our healthcare team. These professional areas include: occupational and physical therapists, radiologic technologists, respiratory therapists, audiologists, medical laboratory scientists and social workers. During the 2012-2013 academic year, there were 2,189 student rotations in 64 allied health education programs.

By educating medical professionals, we ensure that the public is receiving the highest standard of medical care and will have highly trained health professionals to care for them in the future.

Cleveland Clinic is also committed to educating our community through the Center for Consumer Health Information. Health talks, live web chats, podcasts and articles on health management are provided at no cost through the health resource center, libraries and our website. Cleveland Clinic also maintains kiosks throughout its campus that provide health and wellness information.

For 2013, the Cleveland Clinic health system's total expenditure on education was \$230.5 million, partially offset by \$8.4 million in grants and other external funding, resulting in a net cost of \$222.1 million.



## Research

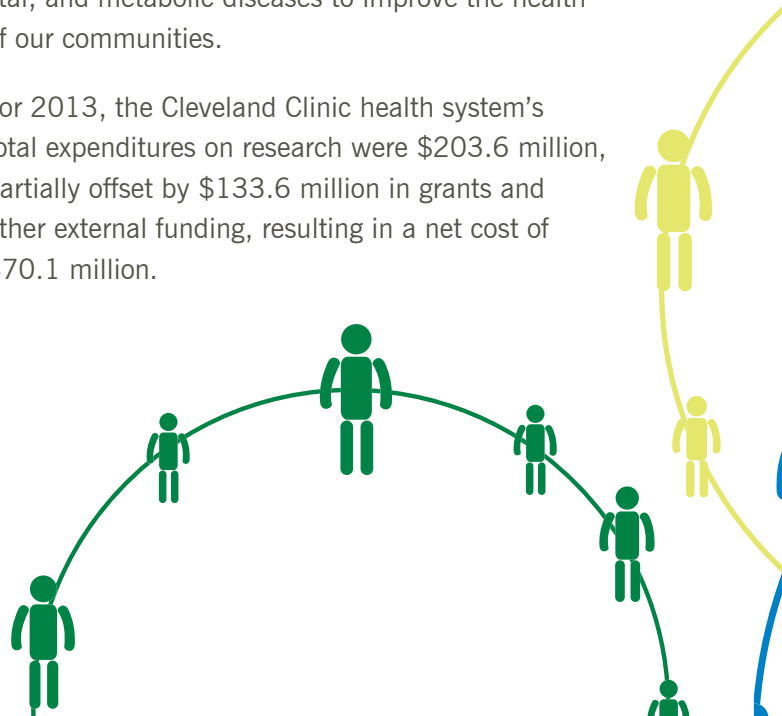
\$70.1 million

Research for the public good has long been recognized as a charitable activity. Medical research into diseases and their cures is an investment in the long-term health of people. At Cleveland Clinic, nearly every physician on staff is involved in research in some way, setting us apart from most hospitals in the country. Our physicians are leaders in their fields of expertise who often pursue careers at Cleveland Clinic specifically for the opportunity to be involved in cutting-edge research.

From a community benefit standpoint, research includes basic, clinical and community health research, as well as studies on healthcare delivery. Cleveland Clinic's Lerner Research Institute (LRI) is continually bringing new medical advances into our patient care and to the medical world through the development of new techniques, devices and treatment protocols.

LRI has made numerous advances in the diagnosis and treatment of complex medical problems. Scientists and their teams are pursuing a wide range of biomedical questions, including those related to cardiovascular, cancer, neurological, musculoskeletal, and metabolic diseases to improve the health of our communities.

For 2013, the Cleveland Clinic health system's total expenditures on research were \$203.6 million, partially offset by \$133.6 million in grants and other external funding, resulting in a net cost of \$70.1 million.







## Economic Impact

Cleveland Clinic is committed not only to improving the health of our patients but also to improving the economic health of our communities.

As Northeast Ohio's largest employer and the second largest employer in Ohio, Cleveland Clinic is a vital economic engine driving significant growth and expansion. Our most recent analysis shows that Cleveland Clinic generated nearly \$10.5 billion of the total economic activity in Ohio.

### Economic Impact Report Statistics (2010):

- 81,350 jobs direct or indirect
- \$4.0 billion labor income
- 58,190 households supported
- \$2.3 billion household spending
- \$663 million state and local taxes
- \$1.15 billion spending by Cleveland Clinic

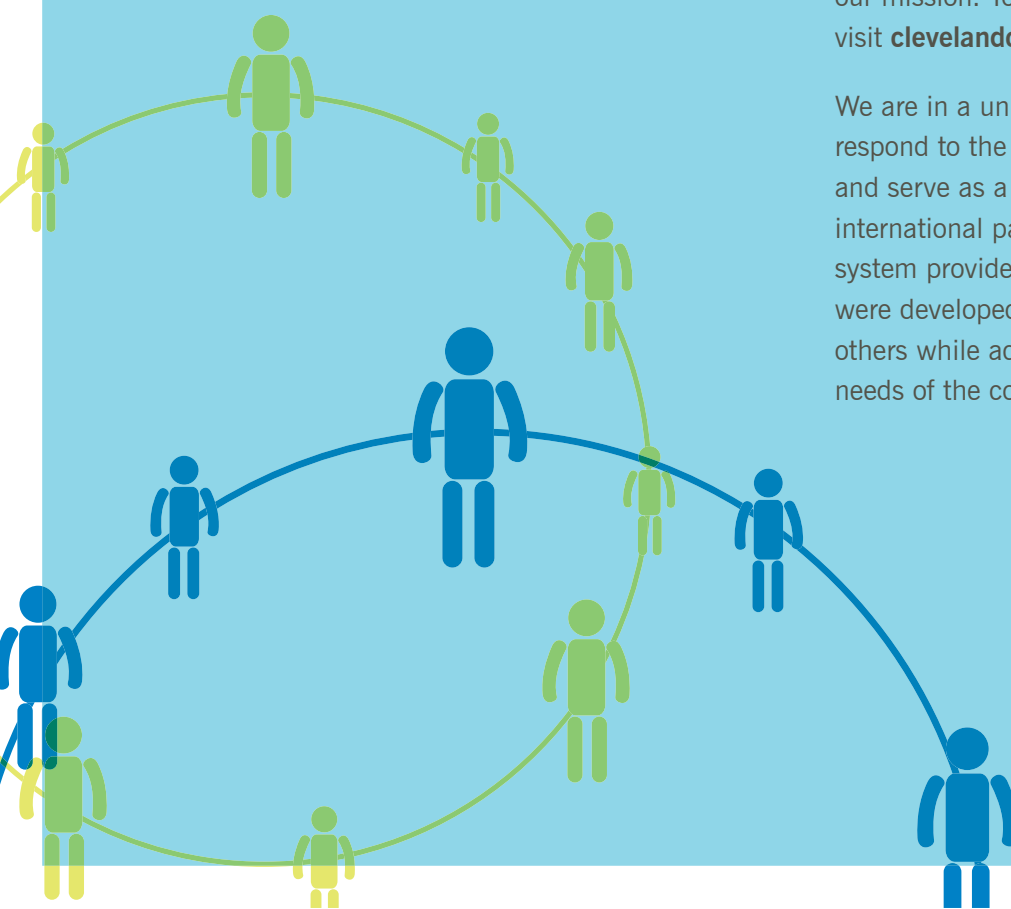


## Serving Our Community

Cleveland Clinic is committed to playing a strong role in our communities. It is the mission of each of our hospitals and family health centers to provide compassionate, high-quality healthcare and to support efforts to improve the health of our neighbors and our neighborhoods. Every day, we are making a difference. Through the extraordinary efforts of our more than 43,000 employee caregivers, we are reaching out to our communities in ways that make a positive impact on the lives of the people we touch.

The Cleveland Clinic health system completed comprehensive community health needs assessments (CHNAs), which included communities surrounding the system's hospitals and family health centers in Northeast Ohio and Florida. The goal of these assessments was to identify and evaluate health-related needs in the communities Cleveland Clinic serves and to use this information to serve and fulfill our mission. To view all our CHNA reports, please visit [clevelandclinic.org/CHNAREports](http://clevelandclinic.org/CHNAREports).

We are in a unique position to be able to assess and respond to the health needs of our local community and serve as a health resource for national and international patients. The Cleveland Clinic health system provides a breadth of benefits, all of which were developed to continue our tradition of serving others while addressing the current healthcare needs of the community at large.



## Cleveland Clinic Locations

Under the leadership of Cleveland Clinic, our community hospitals work together to provide the highest level of quality healthcare and patient service and to make our region a better and healthier place to live. Cleveland Clinic and its hospitals are nonprofit hospitals and together form the largest equal opportunity employer in Northeast Ohio.

### **Cleveland Clinic Main Campus**

9500 Euclid Ave.  
Cleveland, OH 44195  
216.738.5460  
clevelandclinic.org

### **Cleveland Clinic Children's**

9500 Euclid Ave.  
Cleveland, OH 44195  
216.444.KIDS (5437)  
clevelandclinic.org/kids

### **Cleveland Clinic Children's Hospital, Shaker Campus**

2801 Martin Luther  
King Jr. Drive  
Cleveland, OH 44104  
216.721.5400  
clevelandclinic.org/kids

### **Cleveland Clinic Florida**

2950 Cleveland Clinic Blvd.  
Weston, FL 33331  
954.659.5000  
clevelandclinic.org/florida

### **Cleveland Clinic Lou Ruvo Center for Brain Health**

888 W. Bonneville Ave.  
Las Vegas, NV 89106  
702.483.6000  
clevelandclinic.org/  
brainhealth

### **Northeast Ohio Community Hospitals**

#### **Euclid Hospital**

18901 Lakeshore Blvd.  
Euclid, OH 44119  
216.531.9000  
euclidhospital.org

#### **Fairview Hospital**

18101 Lorain Ave.  
Cleveland, OH 44111  
216.476.7000  
fairviewhospital.org

#### **Hillcrest Hospital**

6780 Mayfield Road  
Mayfield Heights, OH 44124  
440.312.4500  
hillcresthospital.org

#### **Lakewood Hospital**

14519 Detroit Road  
Lakewood, OH 44107  
216.521.4200  
lakewoodhospital.org

#### **Lutheran Hospital**

1730 W. 25th St.  
Cleveland, OH 44113  
216.696.4300  
lutheranhospital.org

#### **Marymount Hospital**

12300 McCracken Road  
Garfield Heights, OH 44125  
216.581.0500  
marymount.org

#### **Medina Hospital**

1000 E. Washington St.  
Medina, OH 44256  
330.725.1000  
medinahospital.org

#### **South Pointe Hospital**

20000 Harvard Road  
Warrensville Heights, OH  
44122  
216.491.6000  
southpointehospital.org

#### **Ashtabula County Medical Center\***

2420 Lake Ave.  
Ashtabula, OH 44004  
440.997.6249  
acmchealth.org

\*affiliate

### **Northeast Ohio Family Health Centers**

#### **Avon Lake**

**Family Health Center**  
450 Avon Belden Road  
Avon Lake, OH 44012  
440.930.6800

#### **Avon Pointe**

**Family Health Center**  
36901 American Way  
Avon, OH 44011  
440.930.6250

#### **Beachwood Family Health and Surgery Center**

26900 Cedar Road  
Beachwood, OH 44122  
216.839.3000

#### **Brunswick Family Health Center**

3574 Center Road  
Brunswick, OH 44212  
330.225.8886

#### **Chagrin Falls Family Health Center**

551 E. Washington St.  
Chagrin Falls, OH 44022  
440.893.9393

#### **Elyria Family Health and Surgery Center**

303 Chestnut Commons  
Drive  
Elyria, OH 44035  
440.366.9444

#### **Independence Family Health Center**

5001 Rockside Road  
Crown Centre II  
Independence, OH 44131  
216.986.4000

#### **Lakewood Family Health Center**

16215 Madison Ave.  
Lakewood, OH 44107  
216.521.4400

#### **Lorain Family Health and Surgery Center**

5700 Cooper Foster  
Park Road  
Lorain, OH 44053  
440.204.7400

#### **Richard E. Jacobs Health Center**

33100 Cleveland Clinic Blvd.  
Avon, OH 44011  
440.695.4000

#### **Solon Family Health Center**

29800 Bainbridge Road  
Solon, OH 44139  
440.519.6800

#### **Stephanie Tubbs Jones Health Center**

13944 Euclid Ave.  
East Cleveland, OH 44112  
216.767.4242

#### **Strongsville Family Health and Surgery Center**

16761 SouthPark Center  
Strongsville, OH 44136  
440.878.2500

#### **Twinsburg Family Health and Surgery Center**

8701 Darrow Road  
Twinsburg, OH 44087  
330.888.4000

#### **Willoughby Hills Family Health Center**

2550 & 2570 SOM  
Center Road  
Willoughby Hills, OH 44094  
440.943.2500

#### **Wooster Family Health and Surgery Center**

1740 Cleveland Road  
Wooster, OH 44691  
330.287.4500

## Every day we are making a difference.

Through the extraordinary efforts of our more than 43,000 employee caregivers, we are reaching out to our communities in ways that make a positive impact on the lives of the people we touch.

### Community Benefit Committee

Elizabeth Fiordalis, Community Benefit  
Tony Hrudka, Revenue and Reimbursement  
Mark Klingman, Corporate Accounting  
Cathy Merriman, Decision Support Services  
Stephanie Neumann, Taxation and Compliance  
Cynthia Shirk, Decision Support Services  
Stephanie Switzer, Law Department  
Anthony Vitantonio, Corporate Accounting  
Robert Waitkus, Taxation and Compliance

For more information, please visit  
[clevelandclinic.org/CommunityBenefit](http://clevelandclinic.org/CommunityBenefit).





**Cleveland Clinic**

Every life deserves world class care.